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**United States Senate**  
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CONTRACTING OVERSIGHT,  
CHAIRMAN

January 3, 2011

Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551

Re: Proposed Truth-in-Lending Mortgage Regulations (FRB Docket No. R-1393)

Dear Board of Governors:

I am writing in regards to the provisions in FRB Docket R-1393 that would require card issuers to consider the independent income, rather than household income, of all individuals that apply for cards. Some card issuers have expressed concern that this requirement would conflict with requirements in the Equal Credit Opportunity Act (ECOA). I request that the Board provide full consideration to these issuers' concerns. At a minimum, the Board should provide issuers with guidance as to how they should balance their responsibilities under the new rule with those under the ECOA.

As you know, the Credit Card Accountability Responsibility and Disclosure Act (CARD Act) included provisions which explicitly require credit card companies to consider the independent income of individuals under 21 years of age when they apply for credit. That provision is intended to discourage aggressive marketing of credit cards to students, and I was one of its biggest supports.

However, the issuers note that the Board's proposed rule would apply the same independent income standard to all applicants, regardless of age. They fear this requirement conflicts with the ECOA, which prohibits creditors from discriminating against any applicant on the basis of sex or marital status. The ECOA was designed, in part, to protect the access of spouses, including homemakers to credit. Under the statute, spouses who may not have an independent income, but have sufficient household resources to repay revolving debt, have been afforded protection. Issuers believe that the Board's new rules, however, could prevent spouses over 21 from receiving credit if they do not have independent income.

I would encourage you to provide full consideration to the concerns of these issuers. If the Board retains restriction for spouses over the age of 21, it should provide guidance to issuers about how they should meet their responsibilities under both the CARD Act and the ECOA.

Sincerely,



Claire McCaskill  
United States Senator

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